OKLAHOMA ACCOUNTANCY BOARD

MINUTES OF MEETING

August 27, 2004

The Oklahoma Accountancy Board (OAB) convened in regular session on Friday, August 27, 2004 in Suite 269, 4545 N. Lincoln Boulevard, Oklahoma City, Oklahoma. Notice of the meeting was filed with the Secretary of State and the agenda for the meeting was posted in the reception area of the Board's office in compliance with the Open Meeting Act. A tape recording of the meeting is on file in the Board office. Members present at the meeting:

Carlos E. Johnson, CPA, Chairman
J.H. Jay Engelbach, CPA, Vice Chairman
E.B. St. John, PA, Secretary
Tom Volturo, Representing the Public
James A. Nickles, CPA, Member
Janice L. Gray, CPA, Member
Vicky Petete, CPA, Member

In attendance at the meeting: Edith Steele, Executive Director and Kelly Brown, Deputy Director; Jim Shepherd, Paulina Slaymon, and Donita Graves, Board staff members; David Kinney, Assistant Attorney General; Daryl Hill and Rusty Hale, CPA representing the Oklahoma Society of CPAs; and Dean Taylor, representing the Oklahoma Society of Accountants; Lisa Hodges from the State Auditor's Office; and Tom Dugger, CPA, former Board Member.

Call To Order: At 8:41 a.m. Chairman Johnson called the meeting to order and declared a quorum present. At the Chairman's request, Executive Director Steele read the names of the visitors present.

Public Comment Period: Chairman Johnson asked Executive Director Steele if she had received any written requests or had been informed by any member of the public wishing to speak before the Board. She replied that she had not.

Consent Agenda: The Consent Agenda contained 3 items for the Board's consideration: (1) Approve the minutes of the July 29, 2004 Board meeting; (2) Authorize travel for Assistant Attorney General Kinney and appropriate Board members or staff to attend FARB Annual Attorney Certification Seminar, October 8-10, 2004; and (3) Ratify actions taken by the Executive Director on applications and registrations filed since the previous meeting.

In response to a question regarding the FARB Conference, Assistant Attorney General Kinney explained the purpose of the seminar is focused for attorneys involved in enforcement issues. Chairman Johnson advised Mr. Kinney to provide Board members with an agenda of the seminar so that they may make an informed decision of whether to attend.

With regard to the activity list, Chairman Johnson noted that the number of substantial equivalency applications has increased. Ms. Gray expressed concern with regard to a professional limited liability company which was on the tentative activity list not being on the final activity list. Executive Director Steele explained that she required additional information regarding this firm's registration so she pulled the firm name from the tentative list until such time as further information is approved.

Mr. Volturo presented his suggested changes to the minutes to clarify when he arrived at the July Board meeting. Mr. Nickles recommended verbiage changes to the approved list of the successful candidates' experience from the July Board meeting. Chairman Johnson noted that he had minor changes which he had given to the Board's Registration Coordinator, Donita Graves.

> Gray moved to approve the Consent Agenda as modified and subject to Member Volturo's approval of the minutes being corrected; Volturo second. Affirmative vote: Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles, and Gray.

Administrative Actions Taken: Vice Chairman Engelbach presented a written summary of investigative files and administrative actions taken, with recommendations for the disposition of each.

File to Close:

File No. 1080-5 - Registrant

An investigation was opened as to whether this registrant was practicing public accounting without a permit to practice in connection with her employer. A letter was sent by the Assistant Attorney General requesting verification of employment through the information listed on a W-2 form. It was established that this individual was not practicing public accounting, so the Enforcement Committee recommends this file be closed.

File to be assigned to the Administrative Law Judge:

Subchapter 10:15-37-6(e) of the Oklahoma Administrative Code provides "Hearings will be conducted by one (1) of the following methods, ***as determined by the Board*** (emphasis added): (3) By an attorney licensed to practice law in

this state appointed by the Board to act as a hearing examiner or Administrative Law Judge"

The Vice Chairman recommends the following case be heard before the Administrative Law Judge:

Case No. 1588

> Engelbach moved to close File No. 1080-5; Nickles second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles, and Gray.
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> Engelbach moved that Case No. 1588 be assigned to the Administrative Law Judge; Volturo second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles, and Gray.

Case Nos. 1585-01 *et seq.* – Act on the Recommendation of Hearing Officer Price with Respect to CPA and PA Registrants who did not file Registrations and Pay the Required Registration Fee for the Biennium ending July 31, 2006: Assistant Attorney General Kinney distributed the list of individual registrants who have not registered and will be revoked. He reported on the hearing held on August 13, 2004 conducted by Administrative Law Judge Douglas Price. Executive Director Steele noted that registrants had received three notices regarding their registration. She explained that every effort had been made to locate those whose registration forms had been returned to the Board by the post office. She stated that those registrants who are not in compliance with the Oklahoma Tax Commission also received notification from both the Oklahoma Tax Commission and the OAB. Chairman Johnson explained the difference between the cancellation process and the revocation process.

> Engelbach moved to approve the revocation of Case Nos. 1585-4 through 1585-422 excluding the ones already in compliance and that their certificates will be revoked if information is not filed by 5:00 p.m. today; Nickles second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles, and Gray.

Certified Public Accountants:

15826	Adams, Tracey E.	2066	Bartley, William M. Jr.
12668	Anderson, Patricia M.	12188	Bayless, Gregary
7200	Baese, Marlon Kenneth	9886	Belie, John Richard
6524	Bakeburg, Randy A.	9028	Bonds, Michael P.
798	Baker, Thomas E.	4350	Bowman, Candice
2818	Barrett, R. Lloyd, Jr.	15080	Broaddrick, William

9658	Butler, Jimmy Earl
12874	Buzzanca, Sharon
4252	Carr, Johnston M.
8482	Clark, Steven Joel
15396	Craig, A. Roger, Jr.
11302	Crofford, Stacy Lynne
14186	Davis, Shannon Lea
12844-R	Epperson, H. Jayne
5832-R	Everett, J. William
3466	Ezzell, James C.
12718	Foster, C.B.
11116	Garner, George R., Jr.
11948	Gautreau, Alyssa Baker
6908	Gregory, Connie S.
14970	Harris, David N.
15580	Hearrell, Stephen L.
3352	Hurd, Judson George
9462	Isom, Larry Wayne
5002	Jaggers, Lesley W.
13230-R	Keels, Sandra K.
15226-R	Kennison, Jennifer J.
15204-R	Kiefer, Joseph R.
12456	Korb, Elisabeth A.
15426	Kutmas, Tracie R.
11578	Lantz, Janet L.
14630-R	Larru, Vivian D.
1562	Long, Paul W.
7336	Mathew, Roy
1402	McKinney, T. Harry
6652	McMahan, Daniel E.
7802-R	Meyer, Michal
6670	Nees, Fred Scott
14546	Nolan, Hilary M.
1146	Norfleet, Ernest Lee
7338	Norvell, Tracey E.
4196	Payne, Douglas
6994	Phillips, Julia M.
5122	Pinneo, Michael W.
3018-R	Pollard, Elmer D.
9784	Poltera, Judy A.
12474	Ragsdale, Kami D.
6040	Repetto, Vicki A.
4564-R	Retherford, Richard
1688	Richards, Floyd Clift
11002	Robertson, Kathy
13184	Roth, James E., II
5570	Sinclair, Charlene
15622	Stafford, Jason S.
1918	Tabor, James R.
14422	Tannheimer, Steve
5350	Turney, Charles A.
1214-R	Ulrich, William M.
15216-R	Walker, Brian J.
15028	Wall, Catherine A.
13574	Watkins, Dawn R.
6754	Welch, Phillip M.
3686	Wheaton, Glen R.
12386	Wilson, Barry T.
9324	Woods, Maria L.
2812-R	Yeager, Leo R., Jr.
9328	Youngstrom, Joy L.
14446-R	Yurcho, Larry M.

Public Accountants:

788	Judkins, Bertha
804	McElvany, Paul E.

Discuss and Act on Report from Assistant Attorney General Kinney Regarding the Formatting of Meeting Minutes: Assistant Attorney General Kinney addressed the content requirements of minutes in accordance with the Oklahoma Accountancy Act and the Open Meeting Act. He referenced Roberts Rules of Order which the Board has adopted as a procedural guide and quoted the excerpt regarding that minutes should contain a record of what was done and not what was said. He suggested that verbatim transcripts could still be completed but only when required since the Board maintains the tapes. He recommended to not include detailed discussions in the meeting minutes and only include the motions.

Mr. Nickles questioned the purpose of deleting the discussions from the minutes. Chairman Johnson noted for the record that he had no conversation with Assistant Attorney General Kinney regarding this agenda item. Secretary St. John asked what circumstances would determine when a verbatim transcription is necessary.

Chairman Johnson maintained that the Board meetings will continue to be recorded on tape. He explained that going to this proposed format would result in shorter postings on the Board's website. Mr. Nickles contended that the minutes as currently formatted, leave no room for doubt and that such an account is beneficial to the public and for historical purposes. Mr. Volturo commented that most state agencies do not keep a detailed account of their meetings within their minutes. He added that it is the policy of some agencies to transcribe meeting tapes only in situations where clarification is needed.

Ms. Gray urged that the meeting tapes continue to be retained. She asked about the amount of staff time a transcription requires. Ms. Steele replied that it takes approximately two to three days to transcribe the minutes in their current format. Donita Graves, the Board's Registration Coordinator added that a verbatim transcription of the entire meeting would take three times as long. Chairman Johnson noted that the minutes as currently formatted are not a verbatim transcription. He added that the Board's rules state that the OAB abides by Roberts Rules of Order. Assistant Attorney General Kinney concurred that the minutes are a summary but that the minutes could be narrowed.

> Nickles moved to keep the minutes the same with no changes in the recording methods; St. John second.
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> Volturo offered the amendment that the Board receive both formats of this meeting's minutes for the next meeting -- the detailed format which is in effect currently and the other being the suggested shorter version of the minutes.
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> Nickles withdrew his motion and St. John withdrew his second.

Mr. Nickles commented that this meeting was not substantive enough to make an appropriate evaluation. Ms. Gray favored using both formats for the next three meetings in order to make a better evaluation. The Board concurred.

Announce Amendments to the List of FY05 Committees and Task Forces: Chairman Johnson noted that Members Gray and Petete have volunteered to serve on the Presentation Ceremony Task Force and added himself on the task force. He emphasized the importance of the Presentation Ceremony. He commented that Member Nickles had volunteered to serve on the Alternative

Forms of Practice Committee from the last Board meeting. Chairman Johnson urged other members of the Board to volunteer to serve on this committee. He added that he would wait until the next Board meeting and if no member volunteered, he would serve on this committee and not the Presentation Ceremony Task Force. He expressed a preference to have three members serve on the Alternative Forms of Practice Committee.

Case Nos. 1585-01 *et seq.* – Act on the Recommendation of Hearing Officer Price with Respect to CPA and PA Registrants who did not file Registrations and Pay the Required Registration Fee for the Biennium ending July 31, 2006 [Revisited]: Chairman Johnson noted that pursuant to SB1488, revocation will be automatic and will not require action by the Board. Executive Director Steele stated that the Board will continue to give the same notice to its registrants.

Presentation Commemorating Tom Dugger's Years of Dedicated Service to the Board Especially in Technology: Chairman Johnson recognized former Member Dugger's achievements while on the Board and presented him an award commemorating his contributions to improving the Board's use of technology. Mr. Dugger expressed appreciation for the opportunity to serve and commented that his mission on the Board had been to protect the public, the registrants and to assist the staff.

Director's Report: Executive Director Steele distributed a written copy of her report to the Board members. She stated that according to research performed by the Board staff regarding CPE sponsors, sponsors other than the AICPA do not differentiate the amount of CPE credit between the text version and the electronic version of the same course. She announced that the annual meeting of the Southwest Regional states will be on September 27, 2004 in Dallas and that she and Chairman Johnson will be attending. She commented that the focus of the meeting will be the differences among the states in the Southwest Region with regard to interstate practice. She also reported on the national database meeting held this week in Nashville.

Ms. Steele reported that 10 to 13% of individual registrants used the Board's portal to renew their biennial registration or their permit to practice and that almost 2/3 of the firms have renewed their registration via the Board's portal. She stated that there had been a substantial number of PIN # requests among registrants in the last week of the biennial registration and permit renewal period. Because of the high number of individual requests, PIN #'s for the firms were re-mailed just shortly after the forms were mailed to encourage firms' use of the online renewal. Staff is developing a marketing plan toward individual registrants for next year's renewal in hopes of raising the individual adoption rate.

Ms. Steele reported on the number of examination candidates who had applied to sit during Window 2. She explained the application process for sitting for the CBT examination including NASBA and Prometric's involvement. She noted that she had been advised by NASBA that the foremost problem among the candidates is failure to bring their Notice To Schedule (NTS) which contains their password and login information when they report to the examination site. Deputy Director Kelly Brown explained the procedures regarding the candidate's late arrival or failure to show up at the examination site.

Chairman's Report: Chairman Johnson deferred presenting his report until the Board's next meeting.

Next Meeting Date Announced: The next Board Meeting is scheduled for 8:30 a.m., September 24, 2004 in Conference Room 269 at the Lincoln Office Plaza in Oklahoma City.

Certificate Cancelled by Registrant's Request: CPAs: (No Oklahoma clients): William H. Battey, Certificate No. 3882-R, issued November 22, 1976; John Lawrence Bixler, Certificate No. 10148, issued January 26, 1989; Kent Joseph Fox, Certificate No. 15496-R, issued August 23, 2002; Jeanine Renee Franck, Certificate No. 10918, issued July 26, 1990; Jill E. Larsen, Certificate No. 15652-R, issued April 18, 2003; Charles John Naber, Certificate No. 15810-R, issued December 12, 2003; Patricia L. Parker, Certificate No. 14934-R, issued December 15, 2000; D. Allen Perkins, III, Certificate No. 11698-R, issued January 30, 1992; Alexander Edwin Petrone, Certificate No. 15500-R, issued August 23, 2002; Noelle Kathryn Platt, Certificate No. 15276, issued February 4, 2002; Jean Huntley Scherschligt, Certificate No. 11394, issued July 25, 1991.

CPAs: (Not residing in Oklahoma): Carol L. Bacon, Certificate No. 8754-R, issued March 27, 1986; Harold Keith Borchardt, Certificate No. 15816-R, issued January 23, 2004; Sherry R. Brinkley, Certificate No. 9036, issued July 31, 1986; Dale Gene Cosgrove, Certificate No. 2832, issued January 26, 1973; Patricia Mahoney Finley, Certificate No. 1944, issued January 28, 1967; Danny J. Grace, Certificate No. 6166-R, issued April 23, 1982; Gerald Robert King, Certificate No. 12830-R, issued August 19, 1994; James Douglas Lewis, Certificate No. 5740, issued July 27, 1981; Dallas D. Mayfield, Certificate No. 6806-R, issued March 17, 1983; Jeni Denton Oehler, Certificate No. 15352-R, issued January 25, 2002; Steven Richard Prochnow, Certificate No. 9786, issued January 28, 1988; Gayle Marie Simmons, Certificate No. 13190, issued July 31, 1995; Julie Anne Spiegel, Certificate No. 15530-R, issued December 13, 2002.

CPAs: (Not practicing in Oklahoma): J. Ken Ashley, Certificate No. 15800-R, issued October 17, 2003; Karen Lynn Gilbert, Certificate No. 15486-R, issued July 31, 2002; Charles S. Glidewell, Certificate No. 5952, issued January 29, 1982; Oliver Kerwin Gray, Certificate No. 3026-R, issued September 10, 1973;

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Ernest Ray Harris, Certificate No. 14506, issued August 2, 1999; Amanda S. Hartshorn, Certificate No. 14508, issued August 2, 1999; John Bruce Hildebrand, Certificate No. 15504-R, issued September 27, 2002; Kenneth G. M. Mather, Certificate No. 10000, issued July 28, 1988; Curtis Lee McConnell, Certificate No. 11928-R, issued October 26, 1992; Mark Eden Monroe, Certificate No. 5602-R, issued January 26, 1981; David L. Rhodes, Certificate No. 2470, issued February 1, 1971; James R. Ross, Certificate No. 3810, issued July 19, 1976.

CPAs (Retired): James Turner Almond, Jr., Certificate No. 1738, issued August 1, 1964; Beeler C. Lupton, Certificate No. 2094, issued July 27, 1968; John Porter McNeese, Certificate No. 2638, issued January 31, 1972; Raymond Curtis Schilling, Certificate No. 7020, issued July 28, 1983; Anthony J. Sklet, Certificate No. 6342, issued July 22, 1982; James Wayne Preston Smith, Jr., Certificate No. 1130, issued July 23, 1956; Douglas W. Watts, Certificate No. 12168-R, issued March 19, 1993.

CPAs (Not in Compliance with the Oklahoma Tax Commission): Barbara M. Gaglia, Certificate No. 11786, issued July 28, 1992; Robert A. Huber, Certificate No. 9718, issued January 28, 1988; Evelyn S. Libbert, Certificate No. 15044-R, issued February 23, 2001; Gerald T. Van Nort, Certificate No. 2058-R, issued May 2, 1968.

PAs: (Not practicing): Frances E. Sparks, License No. 502, issued January 3, 1969.

PAs (Retired): Roland T. Kerker, License No. 580, issued March 15, 1969; John Payne Lohrey, License No. 798, issued May 23, 1969; John Riley Spencer, License No. 612, issued March 15, 1969.

Deceased Registrants: **CPAs:** George Adams Dick, Certificate No. 4092, issued July 18, 1977 (also a PA); Douglas A. Ingram, Certificate No. 1189, issued July 29,1957; Robert L. Murray, Certificate No. 2374, issued July 27, 1970; Ronald L. Standridge, Certificate No. 2000, issued August 5, 1967.

PA: George Adams Dick, License No. 972, issued March 11, 1977 (also a CPA).

Dissolved Firms: **CPA Partnership:** Been & Kennedy, CPA's; **CPA Corporations:** Accounting Information Systems Consulting, P.C.; Maley & Dillingham, P.C.; Tom J. Dugger, C.P.A., P.C.

Applications and Registrations Approved: The Board took official notice of the following applications and registrations, which have been approved by the Executive Director:

Application for a CPA Reciprocal Certificate:

15960-R Kimberly Dawn Roberts

Applications for Substantial Equivalency:

Janie A. Barry (Texas)
Michael Anthony Belk (Kansas)
Pamela J. Davis (Kansas)
Michael R. Desmet (Michigan)
Eunjoo Kim Egghart (Nevada)
Tessa Fowler Filippazzo (Texas)
Sherrie Gold (Texas)
Iliana Jaramillo (Texas)
Jesse Michael Miles (Texas)
David A. Welch (Texas)

Application for Renewal of Substantial Equivalency:

Tracy D. Benda (Texas)

Initial Registrations of CPA Professional Corporations:

Dugger & Co., CPA's, PC
Randall Dillingham, P.C.
Rob Sorum C.P.A. P.C.

Initial Registration of a CPA Professional Limited Liability Company:

Green Country Accounting, PLLC

Adjournment: There being no further business to come before the Board, at 10:17 a.m. Chairman Johnson called for a motion to adjourn.

Gray moved to adjourn the meeting; Engelbach second. Affirmative votes: Petete, Volturo, Johnson, Engelbach, St. John, Nickles, and Gray.

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Carlos E. Johnson, Chairman

4587.

ATTEST:

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E. B. St. John, Secretary